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AND

A C T O F I N C O R P O R A T I O N

O F

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I N S U R A N C E C O M P A N Y .

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C I R C U L A R.

To Agent and
Surveyor of the Ontario and Livingston Mutual In-
surance Company.

SIR,

The Directors believe that too much has often been insured on buildings. Too much caution cannot be used in ascertaining the value of property insured, particularly of buildings that have been long built.

The sum insured should be considerably less than the cash value of the property insured: thus leaving in the insured a powerful motive to guard it from destruction.

The Directors have determined not to insure, on any property, more than two-thirds of its present cash value; and on hazardous personal property, such as machinery, and articles subject to rapid decrease in value by use or decay, not over one half of the cash value is to be insured.

You will use the utmost vigilance in guarding against any misrepresentation of the applicant, in relation to the value of the property he wishes insured. In estimating the value of buildings, the expense of cellars ought not to be taken into consideration. In no case must any one risk exceed \$6,000. And we wish not to take separate risks on buildings and their contents, when situated in villages, so contiguous to each other, that at any one fire, in all common probability, the Company would suffer a loss of over \$6,000.

The *survey*, or description of the property to be insured, is of the first importance. In all cases, the applicant should sign the description of the property to be insured, and the application, as it forms an important part of the contract of insurance; for which

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purpose the necessary blank forms, and this circular of instructions, will be furnished.

The description should be *full, accurate, and explicit*, and should be in the language of the applicant, specifying, in the case of a building, the materials of which it is composed, the length of time it has been built, and the uses for which occupied; *particular reference* should be had to *its exposure to fire* from internal construction; the manner of warming it—if by stoves, whether there be hearths to them, and the pipes close; whether they pass a partition, or the sides of the building, and the securities provided in such places; the vicinity of the building to other buildings; the materials of which they are built; size, and manner of occupancy; and *any and every* thing important to its internal or external exposure. Also, any peculiar securities against fire, and facilities for extinguishing it—such as engines, water, and scuttle for ready access to the roof of the building. The relative situation as to other buildings requires your particular attention; their exact distance, when near enough to expose those insured, should, in *no case*, be dispensed with.

As the Policy will usually contain only a general description of the property insured, and refer to the application and survey for a more particular description, the *accuracy* of the description therein will prevent misunderstanding, and protect both the insured and the Company against fraud.

When other buildings are contiguous to the ones to be insured, a *plan* of the buildings, with their relative situation and distances, should be given on the back of the application.

Separate valuations of each building, and kind or species of property to be insured, should be made; and in all cases, the amount to be insured on each should be mentioned in the application, as specified in the form in this circular; for instance, the amount on goods, and on produce and grain, in separate valuations—say \$2,000 on goods, and \$300 on grain and produce.

In case a house is connected to a barn by a long shed, or sheds, whereby they are much exposed to be burned by each other, separate valuations should be made, as one may burn and the other may be saved.

As to the regulation of *premiums*, or *rates*, no schedule can be

given, which will dispense with the exercise of a sound discretion on your part. The classes of hazards furnished you contain the rates of premium on several kinds of property and trades, subject to the ordinary risks and exposures. But these are to be varied, according to the increase of the risk attending the property insured ; and the risk may be so unusually great, as to prevent an insurance at all.

The rates herewith are estimated without regard to collateral or external danger : for example—a dwelling-house of brick, covered with slate or metal, standing entirely alone, is rated at 5 per cent., and barns at 6 per cent. But if the house and barn are so near as to expose each other, they are both to be rated at 8 per cent. Stores standing alone, without any other occupation, are rated at 8 per cent. ; and if other trades are carried on within, such as tailors, shoemakers, or a lawyer's office, it should be 9, 10, or 12 per cent., as the risk is increased.

It is impossible to establish any exact rules for increase of risk by exposure from other buildings. Much must depend, after all the directions that can be given, upon your own judgment, as to the increase of premiums. Great care and caution are necessary. In villages, nearness to a great supply of water, and an engine or engines, and other apparatus, with an organized company for the extinguishment of fires, should be taken into consideration, in calculating the exposure from other buildings ; also, in all cases, the prevailing course of winds.

If buildings are warmed by stoves, whether open or close, they ought to have a hearth of iron, lead, or brick, under them, sufficiently large to protect the floor from falling coals and embers. The pipes should be uniformly well fitted and riveted together, made close where they enter the chimney, and firmly braced up. If the pipe pass a partition, it should be protected so as to keep it from all danger of burning the wood work ; and there should not be suffered, when the pipe passes into a chimney, to be a fire-board in the fire-place underneath, unless lined with sheet iron or lead.

When the pipe goes out of the side of a building, it should be protected as when passing a partition, and extend three feet from the building, and should not have combustible materials under it,

adjoining the building. Stoves should be raised from all communication directly with the floor.

In cases of alterations of buildings, a statement must be signed by the insured, of the several alterations made, and forwarded agreeably to the spirit of the by-law on that subject.

In case of assignments and transfers, you will tax the applicant fifty cents, which you will forward to the Secretary ; and in cases of alterations, where there is an increase of hazard, an additional note must be given, 5 per cent. paid, and you will also tax 50 cents. In these cases, they are all for the benefit of the applicant, and he must pay you for your agency extra.

In cases of incumbrance by mortgage, or where personal property only is insured, you are in all cases to procure additional security, and that which is good. When buildings are encumbered to a large amount, insurance should not be taken in the name of the mortgagor, unless the mortgagee sign the premium note, or give his assent thereto in writing. And where the mortgagor and mortgagee have nearly an equal interest, both may join in an insurance thereon. And in case the mortgagee has much the greatest interest, he may have an insurance in his own name. And in all cases of mortgage, the *whole* amount of incumbrance should be particularly stated, and to *whom* mortgaged. In case of property insured where the owner lives out of the state, security within the state is required to the note.

The agents and surveyors are instructed to examine all property on which they receive applications for insurance ; and to close their accounts with this office by payment quarterly. It is intended that the insured shall risk one-third in value of the property insured, in *all cases*.

When buildings are encumbered by mortgage, no more than two-thirds of the applicant's interest should be taken.

Agents should be very particular in stating the age of buildings, their state of repair, and whether finished in an ordinary or superior manner.

Agents should instruct the applicant, that the language in the application is deemed his own, and that he is bound to the truth of whatever he puts his name, as mentioned in the application ; and that, for the purposes of the application, they are to be considered

his agents, and not the agents of the Company, When the agent wishes to express his opinion, he can do it on the margin or back of the application. If no person sleeps in the store, the Directors will increase the rate of per cent., or not insure at all, as they may deem proper, upon examination of the application.

The Directors will be pleased, at all times, to receive from you any information which may be important or useful, in the operations or regulations of this Company. It is requested that the advertisements furnished you should be posted up in public places, in your vicinity.

The agent and surveyor receives for his services, on *each* application, one dollar, to be paid by the applicant.

The Directors will also allow a fair compensation for services, in cases of losses, when requested to examine the same.

The rates of premium you will find in the by-laws hereto attached. Those rates may be increased *two, three or five* per cent. or more, as you believe the risk to be increased above one of the *safest* kind, by *any exposure whatsoever*.

If any other species of property is insured than what comes within the rates fixed in the by-laws, commonly denominated *extra hazardous*, it must be by special rates, to be fixed by the Directors on application therefor. Carding machines, and pickers, and articles of machinery to be insured, should be enumerated; and separate valuations, as far as is practicable. Also, a list, or general description of tools in shops, that the Directors may know what they insure.

The Policy will be issued from the Secretary's office, and will, in all cases, unless otherwise directed by the applicant, be dated on the day the application is made and duly approved, and take effect at twelve o'clock at noon of the same day, although the Policy may not be received by the insured for some time thereafter, as provided by one of the annexed by-laws. You need not number the application or note.

We wish to have a uniformity in filling up applications, and hereby give you an example of one filled up, as a guide, which may be varied according to the nature, situation, and description of the property insured :

No. APPLICATION of *in*
the county of *for Insurance against Fire by*
 the ONTARIO AND LIVINGSTON MUTUAL INSURANCE COM-
 PANY, for the sum of *Dollars: to wit, on*

Dwelling-house and Shed attached, Household Furniture, Provisions and Produce therein, Barn and Shed adjoining, Produce therein, Store, Goods therein, Taverns and Boarding-houses,	Dolls.	Estimated value in cash, exclusive of land, Estimated value, Estimated average value, Estimated value, exclusive of land, Estimated average value, in winter, Estimated cash value, exclusive of land, Estimated average value, Estimated cash value, exclusive of land.	Dolls.
Amount, Rate at	per cent. 5, 6, 8, 12, 15, 20, 25, 30, 40.		
Amount of Premium note, \$			
5 per cent. to be paid,			
Where situated.	}	Situated in the town of	
Of what materials, Whether new or old.		The house is built of wood.— The barn and shed of wood.	
The house is one story high, 32 by 36 feet, with a wood-shed adjoining, 18 by 36 feet.			
Size of buildings, number of chimnies, fire-places, and stoves, and for what occupied.	}	The house contains two chimnies, four fire-places, and one stove, which has a brick hearth under it. The pipe enters the chimney in the kitchen, 15 inches from any wood work, and well secured. The house is occupied as a dwelling-house.	
Relative situation as to the other buildings, distance from each, if less than ten rods, and for what purpose occupied, and by whom.		The barn is four rods and one foot from the east end of the wood-shed. It is 30 by 40 feet, with a shed extending east 40 by 16 feet.	

Not more than two-thirds of the estimated cash value of any building will be insured. If insurance be wanted on any kind of property not mentioned in the margin, it may be interlined. All agents and surveyors are considered agents of the applicant, so far as it relates to making applications, and the Company will be bound by no statement made to the agent, not contained in the application.

Not more than two-thirds of the estimated cash value of any building will be insured. If insurance be wanted on any kind of property not mentioned in the margin, it may be interlined. All agents and surveyors are considered agents of the applicant, so far as it relates to making applications, and the Company will be bound by no statement made to the agent, not contained in the application.

The house is bounded west 24 feet by F. G.'s wheelwright shop, built of wood, one story high, 18 by 24 feet; north, by the road; east, 16 feet, by H. I.'s two-story dwelling-house, built of brick, which house is connected south by a shed, 18 by 40 feet, to a barn, 28 by 34 feet, of wood; south, by space; and no other buildings

within 10 rods of the house. The house and barn occupied by the applicant as a dwelling.

Whether encumbered—by what amount, and to whom : and state the whole amount and value of property—if not encumbered, say so. } All free from incumbrance.

BY-LAW.—Every person wishing to become a member of this Company, shall, previous to being insured, deposit his application and premium note with the Secretary of said Company, and, if duly approved, the Policy shall bear date on the day the application was made, and take effect at noon, unless directed by the applicant to be dated on a future day. (Signed) A. B.

J. P.

\$
\$
\$

FOR value received in POLICY No. dated the day of
18 issued by the Ontario and Livingston Mutual Insurance Company, I promise to pay the said Company, or their Treasurer for the time being, the sum of in such portions, and at such time or times, as the Directors of said Company, agreeably to their act of incorporation, require.

FORM OF ASSIGNMENT AND TRANSFER.

KNOW all men, by these presents, That the insured in the within policy named, for and in consideration of to paid by do assign and transfer unto the said heirs and assigns, the within Policy of Insurance, and all sums of money, interest, benefit, and advantage whatsoever, now due, or which may hereafter arise by virtue hereof, to have and to hold the same unto the said heirs and assigns for ever. (Said real estate mentioned therein having been mortgaged at the date of said Policy by said insured, to said) or (the insured having alienated and sold to the said all his right and title in said real estate mentioned in said Policy) (as the case may be.)

In witness whereof, the said hath hereunto set hand and seal, this day of in the year

IN PRESENCE OF

The assignment being made on the back of the Policy, may be sent (or a true copy, certified by the Agent and Surveyor) to the Secretary, to be recorded or minuted ; and also a new note, or written promise to pay residue of note, should in every case be sent with it, or the assignment will not be confirmed.

In cases where the property was mortgaged to the assignee at the time the policy was issued, and the mortgagee *then signed the note*, a new note need not be sent.

FORM OF SURRENDER.

WITH REQUEST TO CANCEL POLICY MADE ON THE BACK
THEREOF.

To the Directors of the Ontario and Livingston Mutual Insurance Company :

GENTLEMEN,—Having alienated and sold out all my right, title, and interest in and to the real estate (or personal property, or both, as the case may be) insured by the within Policy, to

I hereby surrender the same, and request the Policy may be canceled, agreeably to the Act and the By-Laws of said Company. *Given under my hand this* _____ *day of* _____ *in the year 18* _____

[CERTIFICATE.]

I hereby certify, that A. B. has sold his property insured in this Policy, as by him above stated.

Agent and Surveyor.

Where Policy is mislaid, or not conveniently to be had, or a part only is to be canceled, a writing as above may be sent, without the Policy, and it will be canceled.

Where you send a *copy* of an assignment or statement of alterations, or a request to cancel a Policy, in whole or in part, be careful always to send the *number* of the Policy, as frequently the applicant has more than one Policy.

We trust you will use your best exertions to explain the principles on which the Company is formed, and to advance its interests in your town and vicinity.

I am, respectfully,
Yours, &c.,

Secretary,

Office of the Ontario and Livingston
Mutual Insurance Company, at
West Bloomfield.

B Y - L A W S .

SECTION 1. The officers of the Company shall consist of a President, Vice President, Secretary, and Treasurer, who shall hold their offices for one year, and until others are appointed.

SEC. 2. The Board of Directors shall hereafter be elected at the Office of the Secretary, in the village of West Bloomfield, on the first Wednesday of May in each year, at ten o'clock in the forenoon.

SEC. 3. It shall be the duty of the President to preside at all meetings of the Board of Directors, sign all Policies of Insurance, and exercise a general superintendence over the affairs of the Company; and in his absence the Vice President shall possess the same powers.

SEC. 4. The Secretary shall keep a record of the proceedings of the Board of Directors; shall preserve the premium notes and applications, shall keep a record of the Policies of Insurance; shall enter in a general index the name and residence of the insured, the date of each Policy, the amount of insurance, and the premium notes and the per cent. paid in; shall receive the five per cent., and pay out of the same the incidental expenses of the Company; shall keep a file, duly labeled, of all alterations and surrenders; shall, at the end of every thirty days, pay over to the Treasurer all balances of money in his hands, taking the Treasurer's receipt therefor; and shall give a bond, with such sureties as the Directors shall approve, in the penal sum of five thousand dollars, conditioned for the faithful discharge of his duties as such Secretary.

He shall, when any loss happens, ascertain the amount of funds over and above what is required for other purposes, and report the same to the Directors.

SEC. 5. The Treasurer shall keep a book, in which shall be entered the date and number of each Policy, the name and residence of the insured, the amount of insurance, and the premium notes, and the amount of each assessment made and collected upon the said notes, and shall, whenever any assessment is made, collect upon the said notes the amount of such assessment; shall receive from the Secretary all balances, and give his receipt for the same, and as often as one hundred dollars shall accumulate in his hands, shall deposite the same in such bank, or other institution, or make such other disposition of it as the Board of Directors shall designate, and shall give a bond, with such sureties as the Directors may require, in the penal sum of ten thousand dollars, for the faithful discharge of his duties as such Treasurer.

SEC. 6. The Directors shall appoint Agents and Surveyors, whose duty it shall be to make surveys, and receive applications for insurance. And each such Agent and Surveyor shall give a bond, with such surety as shall be approved by the Directors, in the sum of \$600 dollars, or such sum not less than \$600 as the Directors or Secretary shall require, and shall close his accounts by payment at the close of each quarter.

SEC. 7. The Directors shall audit all accounts, up to the first of April in each year, and report to each annual meeting the proceedings of the previous year.

SEC. 8. It shall be the duty of the Secretary, upon the application, in writing, of any three Directors, to call a special meeting of the Board, at the Office of the Secretary, by a notice in writing to each Director.

SEC. 9. Buildings are divided into the following classes, and the amount of premium notes required for their insurance will be according to the rates annexed—to wit:

1st Class. Dwelling-houses of brick or stone, covered with slate or metal, and unexposed, 5 per cent.

2d Class. Like buildings, if exposed, 6 per cent.

3d Class. Brick and wood houses, unexposed, 6 per cent.

4th Class. Farm barns, unexposed, 6 per cent.

5th Class. Brick and stone stores, covered with metal, 6 per cent.

6th Class. Brick and wood stores, unexposed, 8 per cent.

7th Class. Tavern-houses, unexposed, 10 per cent.

Furniture, goods, books and plate, produce and stock, will be insured at the same rates with the buildings in which they are contained.

The following trades and merchandise are deemed hazardous, and the rates of premium to be charged upon their insurance will be as follows—to wit:

Tanneries,	-	-	-	from 15 to 30	per cent.
Hatters' shops,	-	-	-	15 to 30	"
Grist mills, without smut machines,	-	-	-	12 to 16	"
Saw mills,	-	-	-	15 to 25	"
Carpenters' and joiners' shops	-	-	-	30	"
Wheelwrights' shops,	-	-	-	20 to 30	"
Coopers' shops,	-	-	-	25 to 30	"
Blacksmiths' shops,	-	-	-	20 to 40	"
Painters' and chairmakers' shops.	-	-	-	25 to 35	"
Clothing and card works,	-	-	-	30 to 35	"
Oil mills,	-	-	-	30	"
Paper mills,	-	-	-	40	"
Books and stationery,	-	-	-	10 to 15	"
Drugs, medicines, paints, and oils	-	-	-	15 to 30	"
Printing offices and bookbinderies,	-	-	-	15 to 25	"

Grist and flouring mills with smut machines,	16 to 25	per cent.
Bakeries, - - - - -	15 to 25	"
Cabinet makers, - - - - -	25 to 35	"
Meeting houses, - - - - -	15 to 25	"
Colleges and seminaries, - - - - -	16 to 30	"

Such buildings and goods or trades as are particularly extra hazardous, may be excluded at the discretion of the Directors; and such classes as are not named, may be insured at such rates as a majority of the Directors may determine after application is made.

If insurance be wanted on more than one building in the same policy, the amount on each must be named; also, the amount on furniture, goods, grain, &c., must be separately named. In cases where no permanent lien can be created, as on household furniture, merchandise, &c., the Directors may require an indemnity in lieu thereof, by an approved surety on the premium note.

Not more than two-thirds of the estimated cash value of buildings shall be insured by this company exclusive of foundation.

SEC. 10. Applications for insurance on such hazardous property as is specified in the foregoing section, for all sums of \$500 or less, may be approved by one Director; and over \$500 to \$1,500, by three Directors; and all over \$1,500, by five Directors.

SEC. 11. Applications for insurance on property other than what is referred to in the last preceding section, for sums not exceeding in any one risk \$2,000, shall be approved by one Director; over that sum and not exceeding \$6,000 in any one risk, by three Directors, before the Secretary shall issue any policy thereon.

SEC. 12. Every person wishing to become a member of this Company, shall, previous to being insured, deposit his application and premium note with the Secretary or Agent of said Company; and if approved, the policy shall bear date on that day, and take effect at noon, unless directed by the applicant to be dated on a future day.

Five per cent. of the premium note shall be paid at the time of making application, and one dollar to the Surveyor for his services, and fifty cents to the Secretary for each policy by the person receiving it.

SEC. 13. Whenever any member of this Company shall alienate or sell any house or building insured, he may surrender his policy to the Secretary, with a request signed by him to have the same canceled, and the Secretary shall enter the same of record, as canceled, to take effect the day the same shall be received by him.

And in case one building only is alienated or sold, where others are contained in the same Policy, said Policy may be surrendered as to that building only, and to take effect on the day it shall be received by the Secretary. And the amount of premium on the said building so sold, shall be endorsed, after thirty days from the day of surrender, on said member's premium note, or such portion

thereof as shall not have been paid or expended. *Provided, farther,* That whenever the grantee or alienee shall procure an assignment and transfer of a *Policy*, when he shall have purchased the whole property insured, and shall, within thirty days from the day he purchases the same, forward the said *Policy* and assignment to the Secretary, may have the same confirmed and ratified to him; and when said assignment shall be approved by a Director or the Secretary, the Secretary shall record the same, and the confirmation thereof, when said grantee or alienee shall have given satisfactory security for the payment of the residue of the premium note given for said *Policy*.

Whenever any member of this Company who has an insurance on goods or other personal property only, shall, *bona fide*, alienate or sell out said goods or other property, he may have the same privilege of surrendering his *Policy*, and under the same regulations as if his *Policy* was on buildings, and have the same canceled. And when goods or other personal property are insured with buildings, and the goods or any part thereof, are sold, said policy may be canceled as to that part only, under the same regulations as mentioned in the preceding clause.

Whenever any alterations or additions, or change of occupants shall be made to any buildings insured, application may be made to the agent in the town or vicinity, who shall certify his opinion whether the same increased the hazard or not, and forward the same and a statement of said applicant, by him signed, to the Secretary; and when approved, shall be filed by the Secretary. *Provided* that whenever application is made for insurance on private dwelling houses which are intended to be rented, the applicant, by stating in his application his intention to rent the same as private dwellings, and paying one per cent. in addition to the usual rate of premium, shall not be required to notify the company of a change of occupants. But in case the Agent shall judge that said alterations or additions do increase the risk, then he shall say how much, and take an additional note for such increased risk; and when approved, the Secretary shall enter a minute thereof on the record of said *Policy*, and forward to the insured a certificate thereof.

Whenever any one, hereafter insured, shall alienate conditionally by mortgage, his policy shall be void, unless he shall make a representation thereof in writing to the Directors, stating the amount and to whom mortgaged, who shall have power to give their assent to said mortgage, or to cancel said policy, as they shall judge proper, on examination of the same.

When buildings are mortgaged at the time they are insured, the mortgagee may have the policy assigned to him, on his signing the premium note, or giving security for the payment of the same; and any Director or the Secretary, when application shall be made to him, shall be authorised, upon said applicant's signing said note or

giving security as aforesaid, to give the assent of the said Company to said assignment, which assent and assignment, or a true certificate thereof, shall be forwarded to the Secretary, who shall enter the same on the record of said policy.

It is hereby provided, that in case any building, goods, or other property insured by said Company shall be burned or damaged, the Directors may demand an additional security for the payment of the deposit note given for the insurance of said property, by the insured depositing with the Treasurer the amount that shall remain unpaid on said note, which deposit shall consist of a part of the insurance money due said insured, to be retained by the Treasurer until the expiration of the term of his policy, when the insured shall have the right to demand and receive such part of said sum deposited, as has not been expended in losses and assessments; and it shall be the duty of the Treasurer to pay the same after thirty days from the expiration of his said policy.

All persons insured by this company, and sustaining loss or damage by fire, are forthwith to give notice thereof to the Company, and within thirty days after said loss, to deliver in a particular account of such loss or damage, signed with their own hands, and verified by their oath or affirmation, or the oath or affirmation of others, and also, if required, by their books of account and other proper vouchers. They shall also declare on oath, whether any and what other insurance has been made on the same property. If there be any fraud or false swearing, the claimant shall forfeit all claim by virtue of his policy.

SEC. 14. The President shall be allowed six cents for each policy signed by him.

The Secretary shall receive from each applicant for the use of the company, upon each policy issued, fifty cents.

The Directors shall be allowed one dollar and fifty cents for each day actually employed in the service of the Company, and six cents per mile for each mile's travel.

The agents and surveyors shall be allowed one dollar for each application approved by the Directors, and for every certificate made by them, required by the by-laws, fifty cents, to be paid by the insured.

SEC. 15. The five per cent. paid in by the insured, which shall be on hand after defraying the incidental expenses of the Company when any loss shall occur, shall be applied towards the payment of such loss.

SEC. 16. Notice of assessments shall be given by the Secretary, by publication in one newspaper printed in each of the counties of Ontario and Livingston, three weeks successively, the last publication of which shall not be less than thirty days prior to the time fixed for their payment; and in such other newspapers as the Directors may deem necessary or expedient. The Directors may also

cause such notice to be published in handbills posted up in such places as they may direct.

The Directors are authorised, in case of any loss or damage by fire, to borrow such sum or sums of money as may be required to meet such loss or damage; and in making any assessment, the interest accruing on money borrowed, and all incidental expenses, shall be included in such assessment.

SEC. 17. The Company will make insurance for a term not less than five years; and the amount of the premium note or sum to be deposited for the insurance of any building, shall be according to the hazard of such building, or the danger to which it may be exposed to loss or injury by fire; taking into consideration the materials of which it is composed, the manner of its construction, the purposes for which it is used, its situation as to other buildings, and all other circumstances affecting its risk.

Insurances shall not be made on hazardous property, to a greater amount than four thousand dollars on any one risk; nor to a greater amount than six thousand dollars on any other property.

SEC. 18. Each deposit note shall be retained by the Secretary thirty days after the expiration of the term of insurance named in the policy for which it was given, and until the amount of all losses and expenses which may have accrued during said term, shall have been ascertained and paid.

SEC. 19. No Distilleries, Breweries, Asheries, Furnaces, or any buildings occupied by soap-boilers or tallow-chandlers for carrying on their trades, will be insured by this company.

SEC. 20. There shall be appointed, at the first meeting of the Board of Directors after each annual election, a committee of three, to be called the Committee on Claims, whose duty it shall be to make investigations of all claims for losses, and report the same to the Board.

SEC. 21. The Secretary shall receive an annual salary, to be fixed by the Board of Directors at its first meeting succeeding each annual election of Directors, which salary shall be in full for his services as Secretary, including clerk hire, and shall not be changed or altered during the year for which he shall be appointed.

SEC. 22. In all cases of insurance of hazardous property, consisting of buildings where the sum insured shall exceed fifteen hundred dollars, it shall be the duty of the Secretary, whenever so directed by five Directors, to cause a lien to be created on such buildings and the land on which they stand, by filing the memorandum authorised by the act of incorporation.

SEC. 23. Any building lighted by any chemical or camphene oil, to be deemed extra hazardous, and to be rated three per cent. greater than the ordinary rates of insurance, where the same is not used.

AN ACT

TO INCORPORATE THE ONTARIO AND LIVINGSTON MUTUAL INSURANCE COMPANY.

*The People of the State of New-York, represented in Senate
and Assembly, do enact as follows :*

SECTION 1. Asahel Warner, Melancton W. Brown, Hollom Hutchinson, Reynold Peck, A. H. Fairchild, Ariel Hendee, Joel Pratt, and all other persons who may hereafter associate with them in the manner prescribed, shall be a corporation by the name of "The Ontario and Livingston Mutual Insurance Company," for the purpose of insuring their respective dwelling-houses, stores, shops, and other buildings, household furniture, merchandise, and other property, against loss or damage by fire.

§2. All persons who shall hereafter insure with the said corporation, and also their heirs, executors, administrators, and their assigns, continuing to be insured in said corporation as is hereinafter provided, shall thereby become members thereof during the period they shall remain insured by said corporation, and no longer.

§3. The affairs of said company shall be managed by a Board of Directors, consisting of thirteen members, as hereinafter provided. All vacancies happening in said Board, may be filled by the remaining directors, for the remainder of the year for which they were elected; and a majority of the whole shall constitute a quorum for the transaction of business.

§4. Asahel Warner, Augustus A. Bennett, Melancton W. Brown, Henry Grout, Lodowick C. Fitch, Joel Pratt, Hiland B. Hall, Elias De Wight, Hollom Hutchinson, Charles Colt, John Dickson, William T. Hosmer, and Z. Barton Stout, shall be the first directors of said corporation, and shall continue in office one year after the passage of this act, and until others shall be chosen in their place; which board of directors shall hereafter be elected in each year, at such time and place in the village of West Bloomfield, as the corporation in their by-laws shall appoint; of which election, public notice shall be given in at least one of the public newspapers printed in each of the said counties of Ontario and Livingston, at least thirty days immediately preceding such election. Such election shall be holden under the inspection of three members, not being directors, to be appointed previous to every election, by the board of directors; and such election shall be made by ballot, and by a plurality of the votes of the members or their proxies then present, allowing to each member one vote for every hundred dollars insured in the said company.

§5. The directors may determine the rates of insurance, the sum to be insured, and the sum to be deposited for any insurance.

§6. Every person who shall become a member of said corporation by effecting insurance therein, shall, before he receives his policy, deposite his promissory note for such a sum of money as shall be determined by the directors; a part, not exceeding five per cent. of said note shall be immediately paid; and the remainder of said deposit note shall be payable, in part or the whole, at any time when the directors shall deem the same requisite for the payment of losses by fire, and such incidental expenses as shall be necessary for transacting the business of said company; and at the expiration of the term of insurance, the said note, or such part of the same as shall remain unpaid, after deducting all losses and expenses occurring during said term, shall be relinquished and given up to the maker thereof. And it shall be lawful for said corporation to loan such portion of their money on hand as may not be immediately wanted for the purposes of said corporation, to be secured by a mortgage on unincumbered real estate of double the value of the sum loaned.

§7. When any property, insured with the said corporation, shall be alienated by sale or otherwise, the policy shall thereupon be void and be surrendered to the directors of said company, to be canceled; and upon such surrender, the assured shall be entitled to receive his deposit notes, upon the payment of his proportion of all losses and expenses that have accrued prior to such surrender; but the grantee or alienee, having the policy assigned to him, may have the same ratified and confirmed to him for his own proper use and benefit, upon application to the directors, and with their consent, within thirty days next after such alienation, on giving proper security to the satisfaction of said directors, for such portion of the deposit or premium note as shall remain unpaid; and by such ratification and confirmation, the party causing such security to be given, shall be entitled to all the rights and privileges, and be subject to all the liabilities, to which the original party to whom the policy issued, was entitled and subjected under this act.

§8. Every member of said company shall be bound to pay for losses and such necessary expenses as aforesaid, accruing in and to said company, in proportion to the amount of his deposit note; and all buildings insured by said company, together with the right, title, and interest of the assured to the lands on which they stand, shall be and are hereby pledged to said company; and said company shall have a lien thereon in the nature of a mortgage, to the amount of his deposit note, which shall continue during his policy; the lien to take effect whenever the said company shall file with, and have entered in the book of mortgages kept by the clerk of the county where the property is situate, a memorandum of the name of the individual insured, a description of the property, the amount of the deposit note, and the term for which said policy shall continue.

§9. Suits at law may be maintained by said corporation against any of its members, for the collection of said deposit notes or any assessment thereon, or for any other cause relating to the business of said corporation; also suits at law may be prosecuted and maintained by any member against said corporation, for losses or damage by fire, if payment is withheld more than three months after the company are duly notified of such losses; and no member of the corporation, not being in his individual capacity a party to such suit, shall be incompetent as a witness in any such cause, on account of his being a member of said company.

§10. The directors shall, after receiving notice of any loss or damage by fire, sustained by any member, and ascertaining the same, or after the rendition of any judgment as aforesaid, against said company for loss or damage, settle and determine the sums to be paid by the several members thereof, as their respective proportion of such loss, and publish the same in such manner as they shall see fit, or as the by-laws shall have prescribed; and the sum to be paid by each member, shall always be in proportion to the original amount of his deposit note or notes, and shall be paid to the treasurer within thirty days next after the publication of said notice. And if any member shall, for the space of thirty days after the publication of said notice, neglect or refuse to pay the sum assessed upon him as his proportion of any loss as aforesaid, in such case the directors may sue for and recover the whole amount of his deposit note or notes, with costs of suit; and the amount thus collected shall remain in the treasury of said company, subject to the payment of such losses and expenses as have or may thereafter accrue; and the balance, if any remain, shall be returned to the party from whom it was collected, on demand after thirty days from the expiration of the term for which insurance was made.

§11. If the whole amount of deposit notes should be insufficient to pay the loss occasioned by any fire or fires, in such case the sufferers insured by said company, shall receive, towards making good their respective losses, a proportionate dividend of the whole amount of said notes, according to the sums by them respectively insured; and in addition thereto, a sum to be assessed on all the members of said company, on the same principles as regulated the amounts of their respective deposit notes, but not exceeding one dollar on every hundred dollars by them respectively insured; and no member shall ever be required to pay for any loss occasioned by fire at any one time, more than one dollar on every hundred dollars insured in said company, in addition to the amount of his deposit note, nor more than that amount for any such loss after his said note shall have been paid in and expended; but any member, upon payment of the whole of his deposit note, and surrendering his policy before any subsequent loss or expense has occurred, may be discharged from said company.

§12. No policy shall be issued by said company, until application shall be made for insurance for fifty thousand dollars at least.

§13. The operations and business of the corporation shall be carried on and conducted at such place in the Village of West Bloomfield, as shall be designated by a majority of the directors present at any regular meeting.

§14. This act shall continue in force twenty years; and the corporation shall be subject to the provisions of the eighteenth chapter of the first part of the Revised Statutes, so far as the same are applicable.

§15. This act shall take effect immediately after its passage.

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